

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration

Date:

Each of the request items below indicates specific information that must be individually detailed or addressed as required.
A REQUEST CAN NOT BE CONSIDERED IF INFORMATION PROVIDED IS INCOMPLETE, NON-RESPONSIVE, OR DOES NOT
CLEARLY ADDRESS EACH OF THE REQUIREMENTS INDIVIDUALLY AS REQUIRED.

RFS #	318.66-027		
STATE AGENCY NAME :	Department of Finance and Administration Bureau of TennCare		
SERVICE CAPTION :	Managed Care organization which provides medically necessary health care services to the TennCare/Medicaid Population		
CONTRACT #	FA-02-14862-00	PROPOSED AMENDMENT #	7
CONTRACTOR :	OmniCare Healthplan, Inc.		
CONTRACT START DATE :	07/01/2001		
CURRENT, LATEST POSSIBLE END DATE : (including ALL options to extend)	12/31/2005		
CURRENT MAXIMUM LIABILITY :	\$949,308,742.18		
LATEST POSSIBLE END DATE WITH PROPOSED AMENDMENT : (including ALL options to extend)	12/31/2006		
TOTAL MAXIMUM COST WITH PROPOSED AMENDMENT : (including ALL options to extend)	\$1,263,219,612.67		
APPROVAL CRITERIA : (select one)	<input checked="" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state <input type="checkbox"/> only one uniquely qualified service provider able to provide the service		
ADDITIONAL REQUIRED REQUEST DETAILS BELOW (address each item immediately following the requirement text)			
(1) description of the proposed additional service and amendment effects :			
Extends the term of current contract as well as provide funding for term extension.			
(2) explanation of need for the proposed amendment :			

We believe that it is in the best interests of the State to maintain this relationship to ensure the stability of the TennCare Program and prevent the disruption of services to TennCare enrollees .

(3) name and address of the proposed contractor's principal owner(s) :
(not required if proposed contractor is a state education institution)

OmniCare Health Plan, Inc.
1991 Corporate Avenue, 5th Floor
Memphis, TN 38132

(4) documentation of OIR endorsement of the Non-Competitive procurement request :
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(5) documentation of Department of Personnel endorsement of the Non-Competitive procurement request :
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(6) description of procuring agency efforts to identify reasonable, competitive, procurement alternatives rather than to use non-competitive negotiation :

This contract is not a result of non-competitive negotiations. MCO contracts have been offered to any organization that has expressed interest, demonstrated specific qualifications outlined in the Agreements, and willingly accepted the terms of the Agreements. There are currently 6 different organizations that have MCO Contracts.

(7) justification of why the F&A Commissioner should approve a Non-Competitive Amendment :

The approval of this amendment by F&A will ensure the best interests of TennCare enrollees will be served. Based on the network of providers that provider currently has, TennCare is confident that the continuation of this agreement will prevent any disruption of services to enrollees.

AGENCY HEAD REQUEST SIGNATURE:

(must be signed by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR — signature by an authorized signatory will be accepted only in documented exigent circumstances)

SIGNATURE DATE:

AMENDMENT NUMBER 7

AMENDED AND RESTATED CONTRACTOR RISK AGREEMENT

**BETWEEN
THE STATE OF TENNESSEE,
d.b.a. TENNCARE**

**AND
OMNICARE HEALTH PLAN, INC.,
d.b.a. OMNICARE HEALTH PLAN, INC.**

CONTRACT NUMBER: FA-02-14862-010

For and in consideration of the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to clarify and/or amend the Amended and Restated Contractor Risk Agreement (CRA) by and between the State of Tennessee TennCare Bureau, hereinafter referred to as TENNCARE, and Contractor Name, hereinafter referred to as the CONTRACTOR as specified below.

Titles and numbering of paragraphs used herein are for the purpose of facilitating use of reference only and shall not be construed to infer a contractual construction of language.

1. Section 4-28 shall be deleted and replaced in its entirety so that the amended Section 4-28 shall read as follows:

4-28. Term of the Agreement

This Agreement and its incorporated attachments, if any, as well as all Amendments to this Agreement, contain all of the terms and conditions agreed upon by the parties, and when executed by all parties, supersedes any prior agreements except as stated in Section 1-7. Unless a provision contained in this Amendment specifically indicates a different effective date, for purposes of the provisions contained herein, this Amendment shall be in effect from July 1, 2001, subject to approval by the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services. The term of this Agreement shall expire on December 31, 2005. Notwithstanding any provision herein to the contrary, this Agreement shall automatically renew for calendar year 2006 with an expiration date of December 31, 2006 unless the CONTRACTOR or the State complies with Section 4-2.(f) regarding non-renewal or unless the State approves termination of the Agreement in accordance herewith. Said renewal shall be automatic and shall not require any notice or other action.

Notwithstanding any provision herein to the contrary, the State may terminate this Agreement if the waiver governing TennCare is terminated. The documents referenced in the Agreement are on file with the CONTRACTOR and with TENNCARE and the CONTRACTOR is aware of their content. No other agreement, oral or otherwise regarding the subject matter of this Agreement, shall be deemed to exist or to bind any of the parties hereto.

2. The September 11, 1995 Amended and Restated Contractor Risk Agreement, as amended, shall be amended by deleting and replacing the date "December 31, 2004" with "December 31, 2005" in all references regarding the Stabilization Period ending December 31, 2004. This shall include, but not be limited to Sections 1-3, 3-10.h and Attachment X.D.

Amendment 7 (cont.)

All of the provisions of the original Agreement not specifically deleted or modified herein shall remain in full force and effect. Unless a provision contained in this Amendment specifically indicates a different effective date, for purposes of the provisions contained herein, this Amendment shall become effective January 1, 2005 or as of the date it is approved by the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives set their signatures.

STATE OF TENNESSEE
DEPARTMENT OF FINANCE
AND ADMINISTRATION

BY: M. D. Goetz, Jr. Jr. Jr.
M. D. Goetz, Jr.
Commissioner

DATE: 12/10/2004

APPROVED BY:

STATE OF TENNESSEE
DEPARTMENT OF FINANCE
AND ADMINISTRATION

BY: _____
M. D. Goetz, Jr.
Commissioner

DATE: _____

OMNICARE HEALTH PLAN, INC.

BY: Osbie L. Howard
Osbie L. Howard
Executive Director

DATE: 12/02/04

APPROVED BY:

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY

BY: _____
John G. Morgan
Comptroller

DATE: _____

318.66-027

Department of Finance and Administration

FA-02-14862-07

Bureau of TennCare

OMNICARE HEALTHPLAN, INC

☐ V-
☐ C-

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

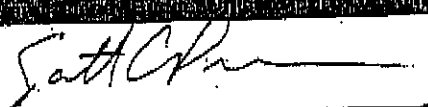
7/1/2001

12/31/2008

318.66	410	134	11	<input type="checkbox"/> STARS		
2002	\$ 51,609,348.00	\$ 90,477,095.00			\$	142,086,443.00
2003	\$ 78,601,400.00	\$ 136,928,600.00			\$	214,530,000.00
2004	\$ 84,244,743.02	\$ 152,832,176.65			\$	237,076,919.67
2005	\$ 99,190,700.00	\$ 168,619,800.00			\$	267,810,500.00
2006	\$ 99,190,700.00	\$ 168,619,800.00			\$	267,810,500.00
2007	\$ 47,258,550.00	\$ 88,646,700.00			\$	133,905,250.00
	\$ 460,095,441.02	\$ 803,124,171.65			\$	1,263,219,812.67
	93.778					

Scott Pierce
 729 Church Street
 Nashville, TN
 (615)532-1362

Scott Pierce



Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr.,
 Commissioner of Finance and Administration, do hereby certify that
 there is a balance in the appropriation from which this obligation is
 required to be paid that is not otherwise encumbered to pay
 obligations previously incurred.

	12/31/2005	12/31/2008
FY: 02	\$142,086,443.00	
FY: 03	\$214,530,000.00	
FY: 04	\$237,076,919.67	
FY: 05	\$237,076,919.67	\$30,733,580.33
FY: 06	\$118,538,459.84	\$149,272,040.16
FY: 07		\$133,905,250.00
	\$949,308,742.18	\$313,910,870.49

CONTRACT SUMMARY SHEET

RCS Number: 318.66-027		Contract Number: FA-02-14862-06	
State Agency: Department of Finance and Administration		Division: Bureau of TennCare	
Contractor: OMNICARE HEALTHPLAN, INC.		Contract Identification Number: <input type="checkbox"/> V- <input type="checkbox"/> C-	
Service Description: Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population			
Contract Begin Date: 7/1/2001		Contract End Date: 12/31/2005	
Allegation Code: 318.66	Cost Center: 410	Object Code: 134	Fund: 11
		<input type="checkbox"/> STARS	
FY:	State Funds	Federal Funds	Total Contract Amount (including All Amendments)
2002	\$ 51,609,348.00	\$ 90,477,095.00	\$ 142,086,443.00
2003	\$ 78,601,400.00	\$ 135,928,600.00	\$ 214,530,000.00
2004	\$ 84,244,743.02	\$ 152,832,176.65	\$ 237,076,919.67
2005	\$ 84,244,743.02	\$ 152,832,176.65	\$ 237,076,919.67
2006	\$ 42,122,371.51	\$ 76,416,088.33	\$ 118,538,459.84
Total	\$ 340,822,605.55	\$ 608,486,136.64	\$ 949,308,742.18
CFDA: 93.778		Check the box ONLY if the answer is YES	
State Fiscal Contract		Is the Contractor a SUPPLEMENT? (per ONE A-133)	
Name: Dean Daniel		Is the Contractor a Vendor? (per ONE A-133)	
Address: 729 Church Street		Is the Fiscal Year Funding STRICTLY LIMITED?	
Phone: Nashville, TN (615)532-1362		Is the Contractor on STARS?	
Procuring Agency Budget Officer Approval Signature		Is the Contractor's FORM W-9 ATTACHED?	
Dean Daniel <i>Dean Daniel 6/22/04</i>		Is the Contractor's Form W-9 Filed with Accounts?	
COMPLETE FOR ALL AMENDMENTS ONLY			
Base Contract & All Amendments		The Amendment ONLY	
END DATE	12/31/2005		
FY: 02			
FY: 03			
FY: 04			
FY: 05			
FY: 06			
Total	\$0.00	\$0.00	

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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MANAGEMENT SERVICES

CONTRACT SUMMARY SHEET

RAS Number	318.66-027	Contract Number	FA-02-14862-05
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor		Contract Identification Number	
OMNICARE HEALTHPLAN, INC		<input type="checkbox"/> V- <input type="checkbox"/> C-	

Services Description
 Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	Contract End Date
7/1/2001	12/31/2005

Non-Federal	Post-Contract	Other Code	Rate	Grant	Grant Code	Subgrant Code
318.66	410	134	11	<input type="checkbox"/> STARS		

FY	State Funds	Federal Funds	Funds Available	Other Funding	Total Available Amount (including All Amendments)
2002	\$ 51,609,348.00	\$ 90,477,095.00			\$ 142,086,443.00
2003	\$ 78,601,400.00	\$ 135,928,600.00			\$ 214,530,000.00
2004	\$ 84,244,743.02	\$ 152,832,176.65			\$ 237,076,919.67
2005	\$ 84,244,743.02	\$ 152,832,176.65			\$ 237,076,919.67
2006	\$ 42,122,371.51	\$ 76,416,088.33			\$ 118,538,459.84
	\$ 340,822,605.55	\$ 608,486,136.64			\$ 949,308,742.18

GRANT	93.778	Check the box ONLY if the answer is YES
State Social Contract		Is the contract a STATE RECEIPT (not OMB A-133)?
Name	Dean Daniel	Is the contract a STATE RECEIPT (not OMB A-133)?
Address	729 Church Street	Is the contract a STATE RECEIPT (not OMB A-133)?
Phone	Nashville, TN	Is the contract a STATE RECEIPT (not OMB A-133)?
	(615)532-1362	Is the contract a STATE RECEIPT (not OMB A-133)?
Presiding Agency Budget Officer Approval Signature		Is the contract a STATE RECEIPT (not OMB A-133)?
Dean Daniel		Is the contract a STATE RECEIPT (not OMB A-133)?
<i>Dean Daniel</i> 12/23/03		Is the contract a STATE RECEIPT (not OMB A-133)?

COMPLETE FOR ALL AMENDMENTS ONLY			Funding Allocation
FY	Appropriation	Unencumbered	
	12/31/2005		
FY: 02	\$142,086,443.00	\$0.00	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.
FY: 03	\$214,530,000.00	\$0.00	
FY: 04	\$237,076,919.67	\$0.00	
FY: 05	\$237,076,919.67	\$0.00	
FY: 06	\$118,538,459.84	\$0.00	
Total	\$949,308,742.18	\$0.00	

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Office of Contracts Review

CONTRACT SUMMARY SHEET

Contract Number	FA-02-14862-04
Division	Bureau of TennCare
Contract Identification Number	
Contractor	DMNICARE HEALTHPLAN, INC

Service Description: Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	7/1/2001
Contract End Date	12/31/2005

Agency Code	Branch	Line Item	Unit	Rate	Contract Amount	Amount Encumbered
318.66	410	134	11			
					\$ 142,086,443.00	
2002					\$ 51,609,348.00	\$ 90,477,095.00
2003					\$ 78,601,400.00	\$ 135,928,600.00
2004					\$ 84,244,743.02	\$ 152,832,176.65
2005					\$ 84,244,743.02	\$ 152,832,176.65
2006					\$ 42,122,371.51	\$ 76,416,088.33
					\$ 340,822,605.55	\$ 608,486,136.64

State Fiscal Year	93.778
Contract Administrator	Dean Daniel
Address	729 Church Street Nashville, TN (615)532-1362

Dean Daniel *Dean Daniel* 6/30/03

FY	Contract Amount	Amount Encumbered
FY: 02	\$142,086,443.00	\$0.00
FY: 03	\$214,530,000.00	\$0.00
FY: 04	\$207,030,000.00	\$30,046,919.67
FY: 05	\$207,030,000.00	\$30,046,919.67
FY: 06	\$103,515,000.00	\$15,023,459.84
Total	\$874,191,443.00	\$75,117,299.18

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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Office of Contracts Review

CONTRACT SUMMARY SHEET

Contract Number	FA-02-14862-03
Agency	Department of Finance and Administration
Division	Bureau of TennCare
Contract Identification Number	
Contractor	<input type="checkbox"/> V- <input type="checkbox"/> C-

ICARE HEALTHPLAN, INC

Service Description:
 aged Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	12/31/2005
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Contract Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	410	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Intra-Departmental Funds	Other Funding	Total Contract Amount including All Amendments	
2002	\$ 51,609,348.00	\$ 90,477,095.00			\$ 142,086,443.00	
2003	\$ 78,601,400.00	\$ 135,928,600.00			\$ 214,530,000.00	
2004	\$ 75,927,800.00	\$ 131,102,200.00			\$ 207,030,000.00	
2005	\$ 75,927,800.00	\$ 131,102,200.00			\$ 207,030,000.00	
2006	\$ 37,963,900.00	\$ 65,551,100.00			\$ 103,515,000.00	
Total	\$ 320,030,248.00	\$ 554,161,195.00			\$ 874,191,443.00	

CTDA	93.778	Check the box only if the answer is YES:
State Fiscal Contract		Is the Contractor's SUBREQUIREMENTS (per OMB A-133)
Dean Daniel 729 Church Street Nashville, TN (615)532-1362		Is the Contractor's Vendor ID (OMB A-133)
Procuring Agency Budget Officer Approval Signature		Is the Contractor's Funding STRICTLY ANTI-DEP
Dean Daniel 9/20/02		Is the Contractor's STARS
		Is the Contractor's Form W-9 Attached
		Is the Contractor's Form W-9 Attached with Agency's

COMPLETE FOR ALL AMENDMENTS ONLY		
Amendments	This Amendment ONLY	
02	\$142,086,443.00	
03	\$207,030,000.00	\$7,500,000.00
04	\$207,030,000.00	
05	\$207,030,000.00	
06	\$103,515,000.00	
Total	\$866,691,443.00	\$7,500,000.00

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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 2007 SEP 20 PM 2:52
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Office of Contracts Review

CONTRACT SUMMARY SHEET

Contract Number	FA-02-14862-02
Agency	Department of Finance and Administration
Division	Bureau of TennCare
Contractor	NICARE HEALTHPLAN, INC
Contract Identification Number	<input type="checkbox"/> V- <input type="checkbox"/> C-

Service Description: Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	12/31/05
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Contract Code	Cost Center	Object Code	Fund	Other	Grant Code	Subgrant Code
318.66	410	134	11	<input type="checkbox"/> STARS		
Year	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount including All amendments	
2002	\$ 51,609,348.00	\$ 90,477,095.00			\$ 142,086,443.00	
2003	\$ 75,927,800.00	\$ 13,110,220.00			\$ 89,038,020.00	
2004	\$ 75,927,800.00	\$ 13,110,220.00			\$ 89,038,020.00	
2005	\$ 75,927,800.00	\$ 13,110,220.00			\$ 89,038,020.00	
2006	\$ 37,963,900.00	\$ 65,551,100.00			\$ 103,515,000.00	
Total	\$317,356,648.00	\$ 195,358,855.00			\$ 512,715,503.00	

State Fiscal Contract	93.778
State Fiscal Contract	Dean Daniel 729 Church Street Nashville, TN (615)532-1362

Processing Agency Signature/Approval Signature: Dean Daniel 7/1/02

Year	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount including All amendments
02					
03					
04					
05					
06					
Total	\$0.00	\$0.00			

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

CONTRACT SUMMARY SHEET

Contract Number		Contract Number	FA-02-14862-01
Agency	Department of Finance and Administration	Division	Bureau of TennCare

Contractor	NICARE HEALTHPLAN, INC.	Contract Identification Number	
		<input type="checkbox"/> V-	
		<input type="checkbox"/> C-	

Service Description

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	12/31/05
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Contract End Date	
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Item Code	Cost Center	Object Code	Fund	Grant	Grant Code	Program Code
318.66	410	134	11	<input type="checkbox"/> STARS		

Year	State Funds	Federal Funds	Interdepartmental Funds	Other Funds	Total Available Amount including All Amendments
2002	\$ 51,609,348.00	\$ 90,477,095.00			\$ 142,086,443.00
2003	\$ 75,927,800.00	\$ 13,110,220.00			\$ 89,038,020.00
2004	\$ 75,927,800.00	\$ 13,110,220.00			\$ 89,038,020.00
2005	\$ 75,927,800.00	\$ 13,110,220.00			\$ 89,038,020.00
2006	\$ 37,963,900.00	\$ 65,551,100.00			\$ 103,515,000.00
	\$317,356,648.00	\$ 195,358,855.00			\$ 512,715,503.00

DAV	93.778
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Signature of Contract Officer	Dean Daniel 729 Church Street Nashville, TN (615)532-1362
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Signature of Agency Budget Officer Approval Signature

Signature of Contract Officer	Dean Daniel 7/1/02
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Signature of Contract Officer

Item Code	Amount	Amount
02	12/31/05	\$142,086,443.00
03		\$0.00
04		\$142,086,443.00
05		-\$53,048,423.00
06		-\$53,048,423.00
		\$142,086,443.00
		-\$53,048,423.00
		\$142,086,443.00
		-\$53,048,423.00
		\$71,043,221.50
		\$32,471,778.50
		\$639,388,993.50
		-\$126,673,490.50

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.